

TANZANIA INSURANCE REGULATORY AUTHORITY



**TANZANIA INSURANCE QUARTERLY PERFORMANCE FOR THE THREE MONTHS
PERIOD FROM 01 APRIL TO 30 JUNE 2021**

June 2021



VISION

“A world-class insurance regulator”

MISSION STATEMENT

“To develop, promote and maintain an inclusive, efficient, fair, safe and stable insurance market for the benefit and protection of policyholders”

Contents

STATEMENT OF THE COMMISSIONER OF INSURANCE	5
1. OVERVIEW OF THE INDUSTRY PERFORMANCE.....	8
2. GENERAL INSURANCE – MARKET PERFORMANCE OVERVIEW	12
2.1. General Insurance Business Growth.....	12
2.2. General Insurance Underwriting Results	13
2.3. General Insurance – Claims Experience.....	13
2.4. General Insurance – Portfolio Mix.....	14
3. LONG TERM ASSURANCE – MARKET PERFORMANCE OVERVIEW	16
3.1. Long Term Assurance Business Analysis	16
3.2. Long Term Assurance – Underwriting Results.....	16
3.3. Long Term Assurance – Claims & Benefit Payments	16
3.4. Long Term Assurance Portfolio Mix	17
4. OPERATIONAL RESULTS OF THE TANZANIA REINSURANCE COMPANY LIMITED (TANRE).....	19
5. BROKERS PARTICIPATION IN INSURANCE UNDERWRITING	21
5.1. Introduction.....	21
5.2. General Insurance Broking.....	21
5.3. Long Term Assurance Broking	22
6. BANCASSURANCE AGENTS’ PARTICIPATION IN INSURANCE UNDERWRITING.....	23
6.1. Introduction.....	23
6.2. General Insurance Bancassurance business	23
6.3. Long Term Bancassurance Business	24

Important notices

Introduction

This publication provides selected quarterly insurance market performance statistics. The data reflected in this publication are sourced from Quarterly Returns submitted to TIRA by insurance companies, Insurance broker and Bancassurance agent under the provisions of Sections 40 and 78 of the Insurance Act, 2009 and Bancassurance Regulations respectively. This publication has two main parts, the first part analyses insurance market developments as reflected on tables appended to the report; while the second part provides comparative statistical figures for the insurance industry.

Disclaimer

While TIRA endeavors to ensure the quality of the publication, it does not accept any responsibility for the accuracy, completeness or currency of the material included in this publication, and will not be liable for any loss or damage arising out of, or reliance on, this publication.

Revisions

This publication will include updated results for the preceding quarter based on insurers and brokers return submissions received at the Authority.

STATEMENT OF THE COMMISSIONER OF INSURANCE

On behalf of management of the Tanzania Insurance Regulatory Authority, I am pleased to give an overview of the performance of the Tanzania insurance market during the three -month period ended 30 June 2021 and Insurance market development initiatives. During this period insurance industry in the country continued to play its strategic role on the national economy by providing the national underwriting capacity, making appropriate compensation against risks and contributing towards mobilisation of financial resources for sustainable economic development.

Out of 30 insurers licensed to conduct insurance business for the period of April – June 2021, 24 insurers transacted general insurance business, 5 life insurers, 1 undertaking both general and life insurers and 1 reinsurance company.

Market Growth and Impact on the Economy

The market grew by 16.57 percent in gross premiums written to TZS 202,712 million in the period ended 30 June 2021 as compared to TZS 173,898 million of the similar period prior year. This performance was above the set target of 10.5 percent annual premium growth for the industry.

General insurance business recorded a growth of 16.37 percent in gross premium written from TZS 142,796 million during the period ended 30 June 2020 to TZS 166,169 million during the period under review. Life assurance business volume increased by 17.50 percent from TZS 31,102 million for the period ended 30 June 2020 to TZS 36,543 million during the period under review.

Product Mix

General Insurance product mix presented a share of Motor insurance business at 36.6 percent, followed by Fire (25.0 percent), Health (17.6 percent) and Accident (7.4 percent). Other classes shared the remaining 13.4 percent of the total General insurance business. Life assurance, on the other hand, was dominated by Group Life class at 76.60 percent, followed by Individual Life 21.93 percent and other life 1.47 percent.

Underwriting and Profitability

The general insurance underwriting results amounted to TZS 4,140 million in the three months period to June 30, 2021 being a decrease compared to underwriting income of TZS 6,134 million of similar three months period of year 2020. This reflects a significant increase of underwriting costs during the period under review.

From an investment point of view, general insurers attained investment income amounting to TZS 14,570 million in the period ended 30 June 2021, having increased by 8.17 percent compared to an investment income of TZS 13,469 million earned during the similar period in 2020. On the other hand, life insurers recorded investment income amounting to TZS 4,781 million in the period ended 30 June 2021, having significantly increased by 5.04 percent compared to an investment income of TZS 4,552 million earned during the similar period in 2020.

Asset Position & Investment Portfolio

As at the end of the underwriting period ended 30 June 2021, total assets of insurers amounted to 1,204,041 million compared to TZS 1,122,460 million of the similar period year 2020. Total insurers' investments amounted to TZS 904,411 million as at 30 June 2021 compared to TZS 804,852 million as at 30 June 2020. The largest share of insurers' investment assets comprised of Deposits in financial

institutions (including Cash and Bank Balances) (43.8 percent), followed by Government Securities (34.5 percent), Real Estates (9.3 percent), Shares (10.4 percent), and other Financial Investments (1.0 percent) in that order.

Opportunities

The insurance sector continues to exhibit several opportunities for expansion and growth. These manifested through various developments including the following:

- (i) A growing middle class which is likely to create more demand for insurance products;*
- (ii) New channels of insurance distribution including mobile insurance technology for enhancement of insurance inclusiveness in the market;*
- (iii) On-going efforts towards finalising the approval process for the National Insurance Policy aimed at creating a conducive environment for public-private-partnership investments in the insurance sector and specify additional classes of compulsory insurance;*
- (iiii) Existence of National Financial Inclusion Policy for enhancement of financial literacy in Tanzania and thus promoting a saving culture;*
- (ivi) Untapped Long Term Assurance market in Tanzania likely to attract new investors;*
- (vi) Regional integration initiatives coupled with enhanced cross-border trading markets for Tanzania insurers;*
- (vii) Implementation of regional integration treaties (EAC and SADC) for promotion of international standards in insurance regulation;*
- (viii) Continued Government's support for the insurance sector;*
- (viii) Presence of Actuarial and Risk Management graduates in the local market which will improve the industry's human capital; and*
- (ix) Continued political stability creating conducive environment for investors.*

Outlook

The insurance sub-sector has good prospects for growth and improvement in the future, following the Government's initiative of formulating a requisite National Insurance Policy.

Acknowledgement

I wish to express my appreciation to the Minister for Finance and Planning for the support TIRA continues to enjoy from the Ministry in our efforts of building a sound insurance regulatory environment in Tanzania with the support of the Ministry of Finance and Planning. TIRA confidently looks forward to further enhancing the supervision and regulation of the Tanzania insurance industry.

I would also like to acknowledge the commitment of members of the National Insurance Board, TIRA management, and staff in the pursuit of the policy objectives underlying continued market-based insurance developments and their readiness to meet the significant challenges that lie ahead. I also wish to thank the Boards of Directors, Management, and Staff of all insurance companies, intermediaries, and service providers for their cooperation and continued support extended to TIRA as we grapple with emerging challenges and constraints on supervision and regulation of the Tanzania insurance industry.



Dr. Mussa C. Juma
Commissioner of Insurance

KEY COMPARATIVE FIGURES ON MARKET DEVELOPMENTS (TZS MILLION)

i. Life and General Business

LIFE AND GENERAL BUSINESS			
Particulars	Jun-20	Jun-21	Incr/(Decr)
General - Gross premiums written	142,796	166,169	16.37%
Life - Gross premiums written	31,102	36,543	17.50%
Total Gross premiums written	173,898	202,712	16.57%
General - Assets	824,656	888,367	7.73%
Life - Assets	297,804	315,674	6.00%
Total Assets	1,122,460	1,204,041	7.27%
General - Liabilities	527,107	539,267	2.31%
Life - Liabilities	237,494	253,649	6.80%
Total Liabilities	764,601	792,916	3.70%
General - Net assets	297,549	349,101	17.33%
Life - Net assets	60,309	62,025	2.84%
Total Net assets	357,859	411,125	14.88%
General - Investments	569,655	641,238	12.57%
Life - Investments	235,197	263,173	11.89%
Total Investments	804,852	904,411	12.37%

ii. General Business

Particulars	Jun-20	Jun-21	Incr/(Decr)
Net earned premiums	90,958	95,173	4.63%
Net incurred claims	40,494	39,736	-1.87%
Net Expenses (Commission &	44,330	51,298	15.72%
Underwriting results	6,134	4,140	-32.51%
Investment income	13,469	14,570	8.17%
Net income/loss after tax	16,696	14,328	-14.18%
Net loss ratio	44.52%	41.75%	-6.22%
Total Assets	824,656	888,367	7.73%
Net Assets	353,559	411,125	16.28%
Returns on total assets	1.63%	1.64%	0.41%
Returns on net assets	3.81%	3.54%	-6.98%

iii. Life Business

LIFE BUSINESS			
Particulars	Jun-20	Jun-21	Incr/(Decr)
Net premiums written	26,777	31,246	16.69%
Policyholder's benefit	18,617	24,843	33.45%
Investment income	4,552	4,781	5.04%
Total expenses	13,510	15,831	17.18%
Total income	(2,333)	(4,366)	87.09%
Policyholders benefit as percent on NPW	69.52%	79.51%	14.36%
Total assets	297,804	315,674	6.00%
Net assets	60,309	62,025	2.84%
Returns on net assets	7.55%	7.71%	2.14%

1. OVERVIEW OF THE INDUSTRY PERFORMANCE

Total volume of business, in terms of gross premium written for both general and life assurance businesses increased by 16.57 percent from TZS 173,898 million during the period ended 30 June, 2020 to TZS 202,712 million during the period ended 30 June, 2021. This implies that during this period, the market recorded favourable results. Development and operationalization of the new systems in place (e.g., TIRA MIS), marketing and continued public awareness programs significantly contributed to these positive developments.

Industry's total liabilities recorded an increase of 3.12 percent to TZS 792,916 million as at 30 June, 2021 whereas total liabilities as at end of 30 June 2020 stood at TZS 768,901 million. This was a result of an increase in both current and future insurance liabilities.

Total insurers' investments increased by 12.37 percent from TZS 804,852 million as at June 30, 2020 to TZS 904,411 million as at June 30, 2021. This indicates the presence of favourable investments avenues in the economy. (See Table 1 below for details).

Investment Income for the market increased by 7.38 percent during the three months period to June 30, 2021 compared to a similar period year 2020 (See **Table 1 below**).

Table 1: Total Gross Premium

General & Long-Term Assurance Business as at 31 March 2019 (TZS Millions)			
Particulars	Apr – Jun 2020	Apr – Jun 2021	% Incr./ (Decr.)
Total Gross Premium Written	173,898	202,712	16.57%
Total Assets	1,122,460	1,204,041	7.27%
Total Liabilities	768,901	792,916	3.70%
Total Net Worth	353,559	411,125	14.88%
Total Investments Assets	804,852	904,411	12.37%
Total Investment Income	18,021	19,351	7.38%

The largest share of insurers' investment assets comprised Deposits in financial institutions, including Cash and Bank Balances (43.8 percent), followed by Government Securities (34.5 percent), Real Estates (9.3 percent), Shares (10.4 percent), Investments in related parties (1.4 percent) and other Financial Investments (0.6 percent) in that order. As stated above total investment assets were TZS 904,411 million. The analysis indicates that during the period under review, most insurers invested in the low-risk securities, which were bank deposits and government securities (78.3%).

Table 2 below indicates the concentration of the amounts invested by the insurance companies for the period under review (TZS Million): -

Table 2: Investment concentration as at 31st June 2021

Description	Amount	Percentage
Cash and Bank Balances	56,828	6.3%
Deposits in Financial Institutions	338,857	37.5%
Tanzanian Government Securities	311,585	34.5%
Real Estate	84,403	9.3%
Listed shares	19,346	2.1%
Unlisted shares	74,778	8.3%
Investments in related parties	12,486	1.4%
Investment in investment pools, mutual funds, unit trusts	834	0.1%
Other Bonds and debentures	3,012	0.3%
Mortgage Loans	900	0.1%
Policy Loans	942	0.1%
Other Investments	439	0.0%
Total Investment Assets	904,411	100%

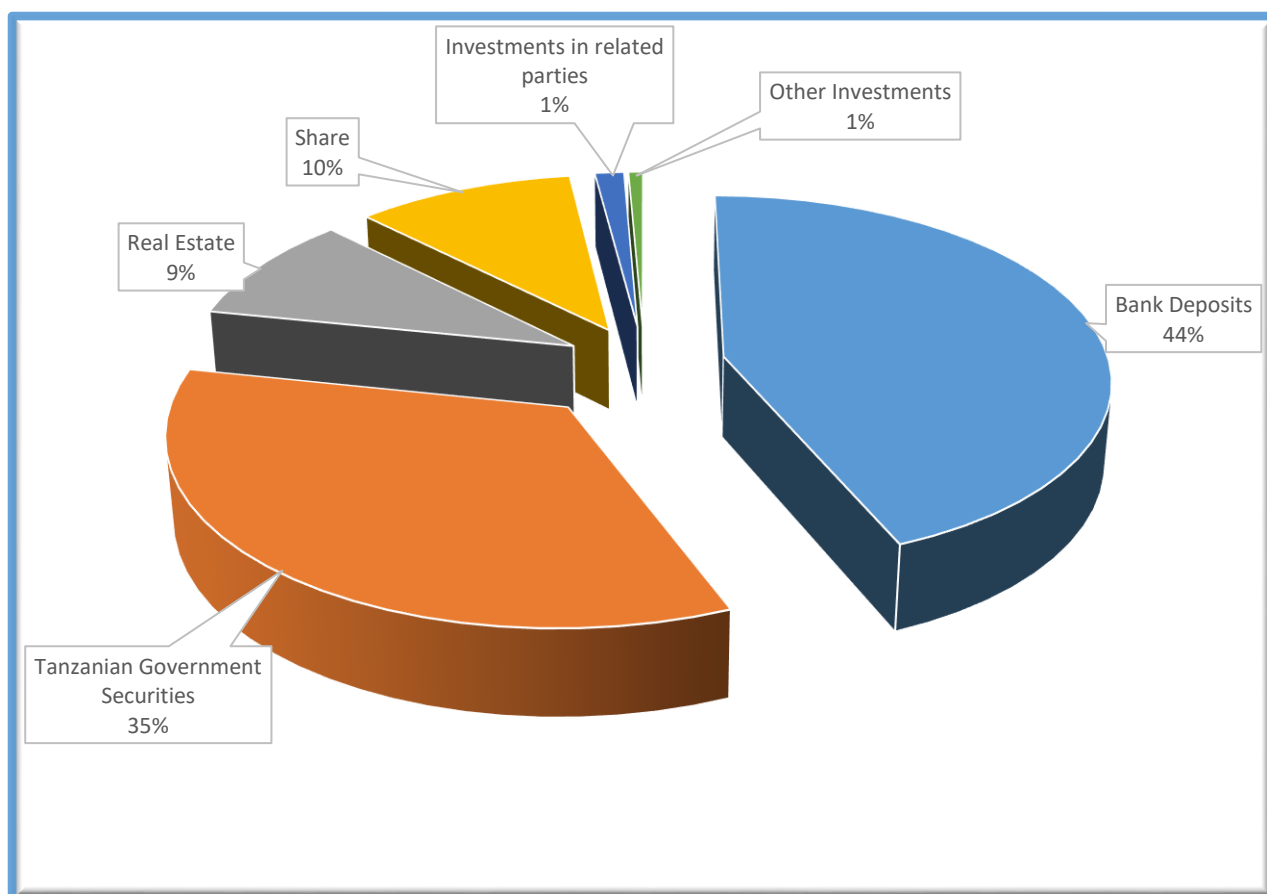


Chart 1: Investment Portfolio as at June 30, 2021

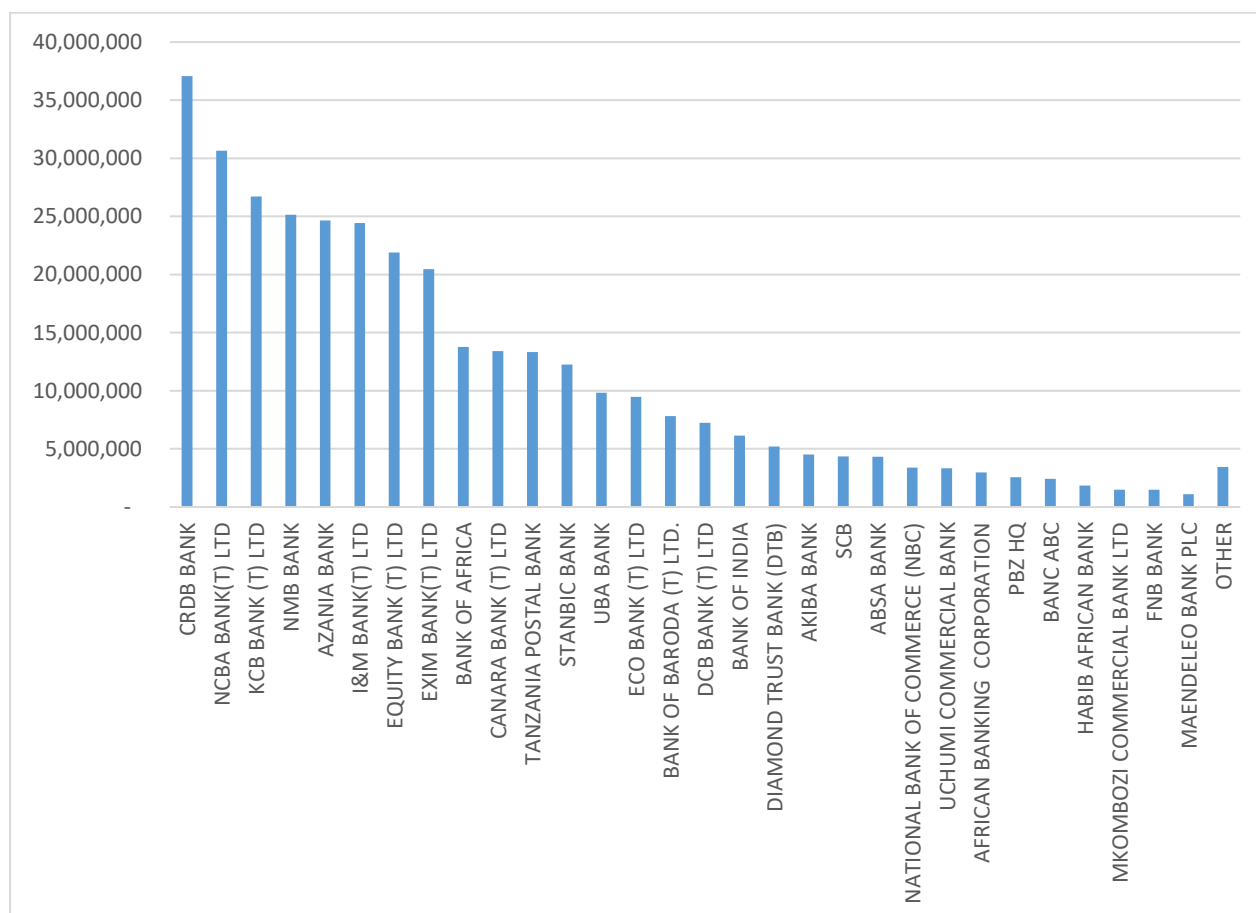
The Deposits in Financial Institutions had the following distribution:

Table 3: Financial Institution

Distribution of Financial Institution as at 30 June 2021		
Name of Financial Institution	Amount Invested by Insurer (TZS '000')	% Of Total Investment to Financial Institutions
CRDB BANK	37,065,500	10.69%
NCBA BANK(T) LTD	30,651,600	8.84%
KCB BANK (T) LTD	26,719,869	7.71%
NMB BANK	25,139,333	7.25%
AZANIA BANK	24,636,187	7.11%
I&M BANK(T) LTD	24,434,517	7.05%
EQUITY BANK (T) LTD	21,884,464	6.31%
EXIM BANK(T) LTD	20,471,012	5.90%
BANK OF AFRICA	13,780,576	3.97%
CANARA BANK (T) LTD	13,415,657	3.87%
TANZANIA POSTAL BANK	13,328,716	3.84%

Distribution of Financial Institution as at 30 June 2021		
Name of Financial Institution	Amount Invested by Insurer (TZS '000')	% Of Total Investment to Financial Institutions
STANBIC BANK	12,261,468	3.54%
UBA BANK	9,841,905	2.84%
ECO BANK (T) LTD	9,481,241	2.73%
BANK OF BARODA (T) LTD.	7,817,551	2.25%
DCB BANK (T) LTD	7,238,144	2.09%
BANK OF INDIA	6,138,526	1.77%
DIAMOND TRUST BANK (DTB)	5,212,531	1.50%
AKIBA BANK	4,520,436	1.30%
SCB	4,343,161	1.25%
ABSA BANK	4,318,989	1.25%
NATIONAL BANK OF COMMERCE	3,386,097	0.98%
UCHUMI COMMERCIAL BANK	3,322,026	0.96%
AFRICAN BANK CORPORATION	2,985,814	0.86%
PBZ HQ	2,550,000	0.74%
BANC ABC	2,414,739	0.70%
HABIB AFRICAN BANK	1,833,818	0.53%
MKOMBOZI COMMERCIAL BANK	1,492,964	0.43%
FNB BANK	1,489,969	0.43%
MAENDELEO BANK PLC	1,105,651	0.32%
GT BANK	831,751	0.24%
ICB BANK	505,000	0.15%
FINCA MICROFINANCE	357,390	0.10%
TANZANIA INVESTMENT BANK	355,647	0.10%
MWANGA HAKIKA	312,893	0.09%
MWALIMU COMMERCIAL BANK	285,240	0.08%
LETSHEGO	268,220	0.08%
KILIMANJARO COOPERATIVE	200,000	0.06%
THE PEOPLES BANK OF ZANZIBAR	200,000	0.06%
ACCESS BANK	108,500	0.03%
MUCOBA	20,000	0.01%
TOTAL	346,727,100	100.00%

Chart 2: Amount Invested by Insurer (TZS Million)



2. GENERAL INSURANCE – MARKET PERFORMANCE OVERVIEW

2.1. General Insurance Business Growth

General insurance business experienced a growth of 16.37 percent in gross premium income from TZS 142,796 million during the period ended 30 June 2020 to TZS 166,169 million during the period ended June 2021 (see Appendix 1 – appended). This growth is associated with a number of factors, including the following:

- i. Increase in compliance by the public, with the statutory requirement that provides that all insurance for locally based risks must be placed with Tanzanian insurers, except by prior written approval of the Commissioner of Insurance.
- ii. New systems in place i.e., TIRA MIS, aggressive marketing and continued public awareness programmes.
- iii. Stability on the new platform of premium payment that requires the direct deposit of premium to insurer.

Also, investment income for general insurance business in the three months period to June 30, 2021 was TZS 14,570 million compared to TZS 13,469 million for the similar three months in year 2020. (See Table 1 above for details). The increase of the investment returns was mainly due to good performance of governments security and increase in bank interest rates.

Table 2.1: Insurance and Investment performance

General Insurance Business		– TZS million	
Particulars	Apr – Jun 2020	Apr – Jun 2021	Incr/Decr (%)
General Insurers Gross Premiums Written	142,796	166,169	16.37%
General Insurers Investment Income	13,469	14,570	8.17%

2.2. General Insurance Underwriting Results

Net premiums written for general insurance business in the three months to June 30, 2021 was TZS 90,063 million compared to TZS 83,735 million for the similar period in 2020, an increase of 7.56 percent. This indicated the increase on retention of risks by the insurance companies compared to previous year similar period.

Net incurred claims were TZS 39,736 million for the three months period to June 30, 2021 compared to TZS 40,494 million for the similar three months period in 2020, implying a decrease on the claims paid by insurer for the period under review compared to similar period in the previous year.

Underwriting expenses for general insurance business in the three months period to end June, 2021 were TZS 91,033 million compared to TZS 84,824 million for the similar period in 2020. This implies a significant increase in the costs of underwriting by 7.3 percent.

General insurance business recorded an underwriting profit of TZS 4,140 million in the three months period to end June, 2021 compared to underwriting profit of TZS 6,134 million for the similar period in 2020. There is significant decrease of underwriting profit during period under review compared similar period in 2020 this has been attributed by increase of the underwriting expenses as compared to similar period of the previous year.

Table 2.2: General Insurance Business Financial Performance for Apr – Jun 2021 (TZS Million)

Particulars	Apr – Jun 2020	Apr – Jun 2021	Incr/Decr (%)
Net Premiums Written	83,735	90,063	7.56%
Net Incurred Claims	40,494	39,736	-1.87%
Underwriting Expenses	84,824	91,033	7.32%
Underwriting Income/(loss)	6,134	4,140	-32.51%

2.3. General Insurance – Claims Experience

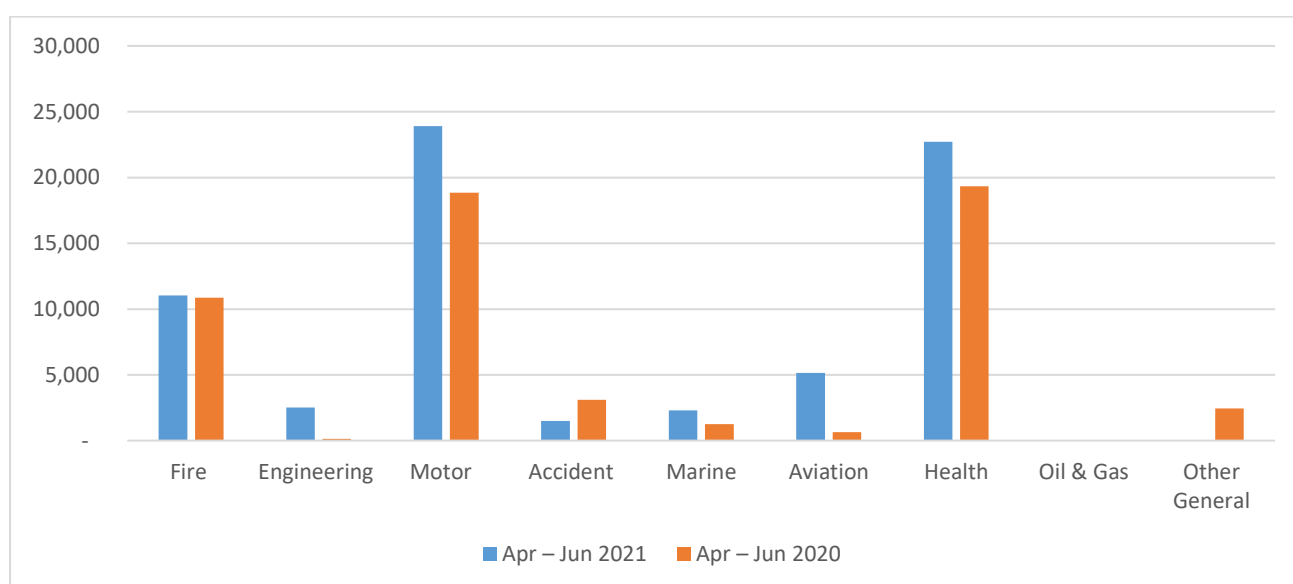
General Insurance Gross Claims paid increased by 22.10 percent from TZS 56,589 million in Apr – Jun 2020 to TZS 69,098 million during the period under review. This increase has been attributed to the increase in claims in some classes of business particularly in engineering and aviation compared to

a similar period in 2020. There has also been a slight increase in total claim amount in other classes, particularly Health and motor.

Table 2.3: General Insurance Gross Claims Payments (TZS Million)

Description/Class of insurance	Apr - Jun 2020	Apr - June 2021	%Incr/Decr
Fire	10,861	11,027	1.53%
Engineering	127	2,524	1881.26%
Motor	18,836	23,897	26.87%
Accident	3,096	1,484	-52.06%
Marine	1,251	2,305	84.21%
Aviation	654	5,151	687.48%
Health	19,328	22,710	17.50%
Oil & Gas	-	-	-
Other Gen.	2,436	-	-100%
Total	56,589	69,098	22.10%

Chart 3: General Insurance Gross Claims Payments - TZS Million



2.4. General Insurance – Portfolio Mix

On a class-by-class basis, General Insurance product mix at end June, 2021 showed that the Motor insurance business continue to dominate general insurance product with market share of 36.62 percent, followed by Fire (25.01 percent), Health (17.58 percent), and Accident (7.39 percent). Other classes shared the remaining 13.40 percent of the total General insurance business (See **Chart 4 below**).

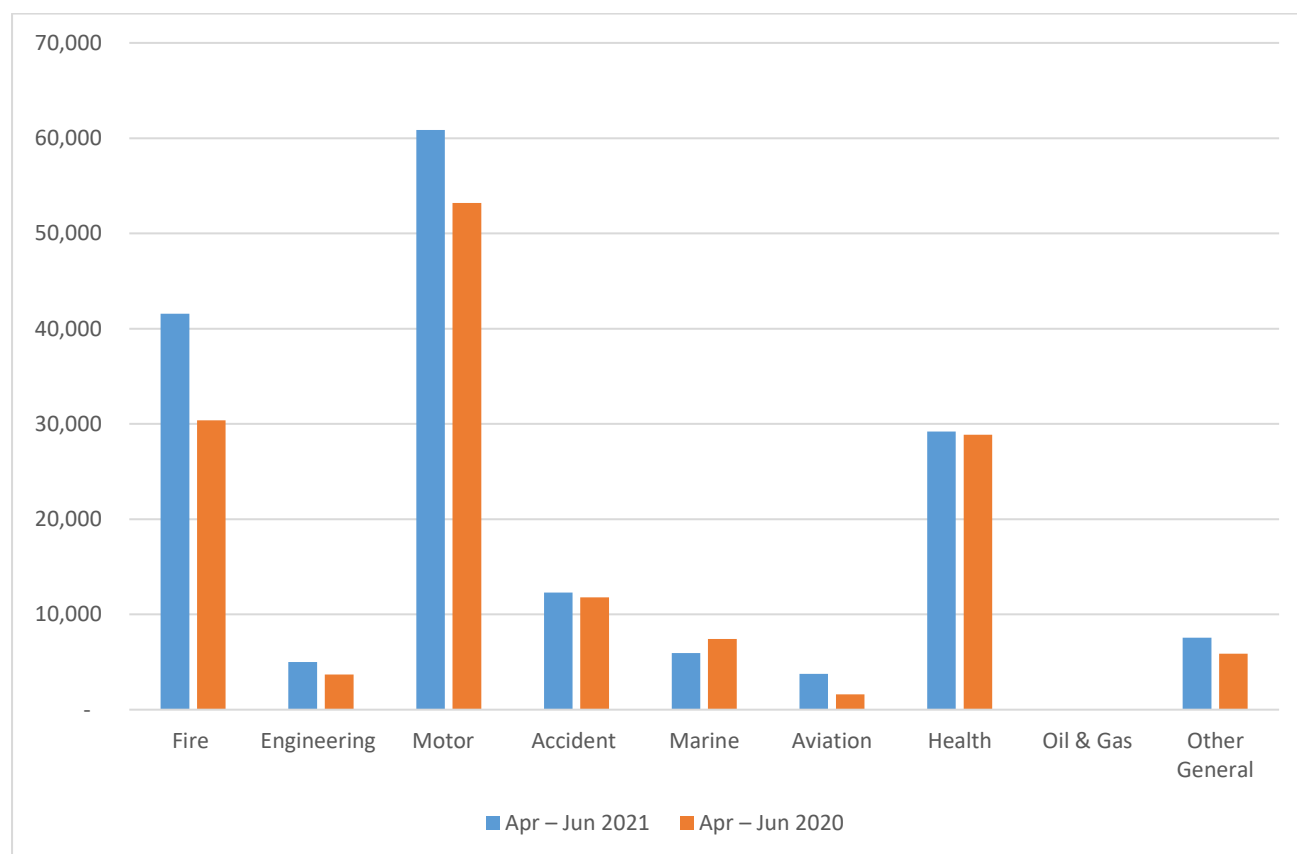
All classes of business recorded increase in gross premium written during the period under review except for Marine class compared to the similar period in 2020, with the exception of oil and gas class of business of which there was no business underwritten. Aviation class of business was leading in

growth of gross premium written during the period under review, with an increase of 133.00 percent compared to the same period in the previous year followed Fire class of business with an increase of 36.85 percent compared to the same period in the previous year. Other classes recorded average growth rates. (See table 2.4 below).

Table 2.4: General Insurance Gross Premiums Written by Class of Business (TZS Million)

Class of Business	Apr – Jun 2020	Market Share	Apr – Jun 2021	Market Share	% Incr/Decr
Fire	30,367	21.3%	41,558	25.0%	36.9%
Engineering	3,696	2.6%	5,010	3.0%	35.5%
Motor	53,187	37.2%	60,856	36.6%	14.4%
Accident	11,793	8.3%	12,280	7.4%	4.1%
Marine	7,413	5.2%	5,950	3.6%	-19.7%
Aviation	1,617	1.1%	3,767	2.3%	133.0%
Health	28,863	20.2%	29,206	17.6%	1.2%
Oil & Gas	-	0.0%	-	0.0%	-
Other General	5,860	4.1%	7,543	4.5%	28.7%
TOTAL	142,796	100.0%	166,169	100.0%	16.4%

Chart 4: General Insurance Gross Premiums Written by Class of Business – TZS Million



3. LONG TERM ASSURANCE – MARKET PERFORMANCE OVERVIEW

3.1. Long Term Assurance Business Analysis

Gross premiums written for Long Term Assurance business in the three months period to end June, 2021 increased by 17.50 percent to TZS 36,543 million compared to TZS 31,102 million for the similar three months period for 2020. The increase reflects enhanced public awareness and uptake of life insurance products.

Table 3.1: Long Term Assurance Business

Particulars	Apr – Jun 2020	Apr – Jun 2021	Incr/Decr (%)
Life Insurers Gross Premiums Written	31,102	36,543	17.50%
Life Insurers Investment Income	4,552	4,781	5.04%

3.2. Long Term Assurance – Underwriting Results

Underwriting expenses for Long Term Assurance business in the three months period to June 30, 2021 were TZS 15,831 million compared to TZS 13,510 million for the similar period in 2020. This increase is attributed to the increased new business in that category resulting in the increase in underwriting costs.

Investment income for Long Term Assurance business in the three months period to June 30, 2021 was TZS 4,781 million, an increase of 5.04 percent compared to TZS 4,552 million for the similar period in 2020. This increase is associated with high performance of governments securities and slightly increases of bank interest rate, which resulted to increase in return on investments particularly from fixed deposits and treasury bills, which constitute the largest part of the insurers' investments. (See Table 3.2 below for details).

Table 3.2: -Financial performance

Long Term Assurance Business Financial Performance for Apr - Jun, 2021 (TZS Million)			
Particulars	Apr – Jun 2020	Apr – Jun 2021	Incr/Decr (%)
Gross Premiums Written	31,102	36,543	17.50%
Net Premiums Written	26,777	31,246	16.69%
Policyholders Benefits	18,617	24,843	33.45%
Underwriting Expenses	13,510	15,831	17.18%
Investment Income	4,552	4,781	5.04%

3.3. Long Term Assurance – Claims & Benefit Payments

Policyholders' benefits paid for the three months period to June 30, 2021 were TZS 24,843 million, an increase of 33.45 percent compared to TZS 18,617 million for the similar period in 2020, implying increased number of matured life policies.

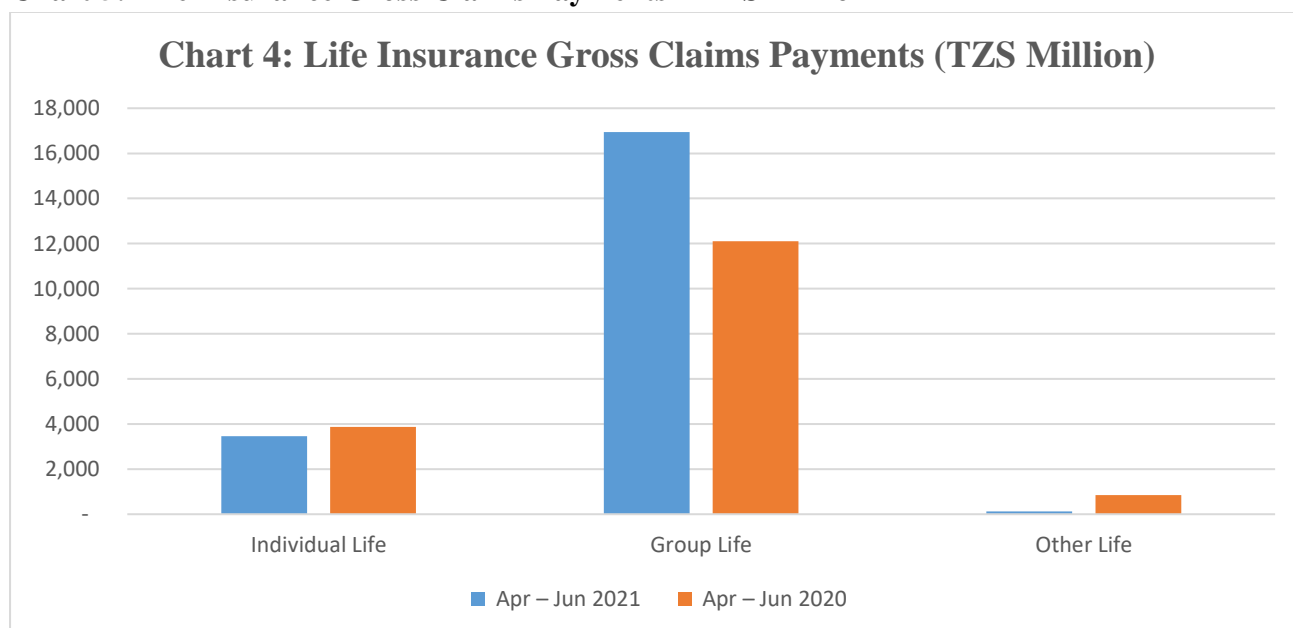
Table 3.3.1: Long Term Assurance Business Financial Performance for Apr - Jun 30, 2021 (TZS Million)

Particulars	Apr – Jun 2020	Apr – Jun 2021	Incr/Decr (%)
Policyholders Benefits	18,617	24,843	33.45%

Table 3.3.2: Long Term Assurance Gross Claims Payments (TZS Million)

Description/Class of insurance	Individual Life	Group Life	Other Life	Total
Apr – Jun 2020	3,868	12,105	847	16,820
Apr – Jun 2021	3,454	16,950	125	20,529
% Increase/Decrease	-10.69%	40.02%	-85.22%	22.05%

Chart 5: Life Insurance Gross Claims Payments – TZS Million



3.4. Long Term Assurance Portfolio Mix

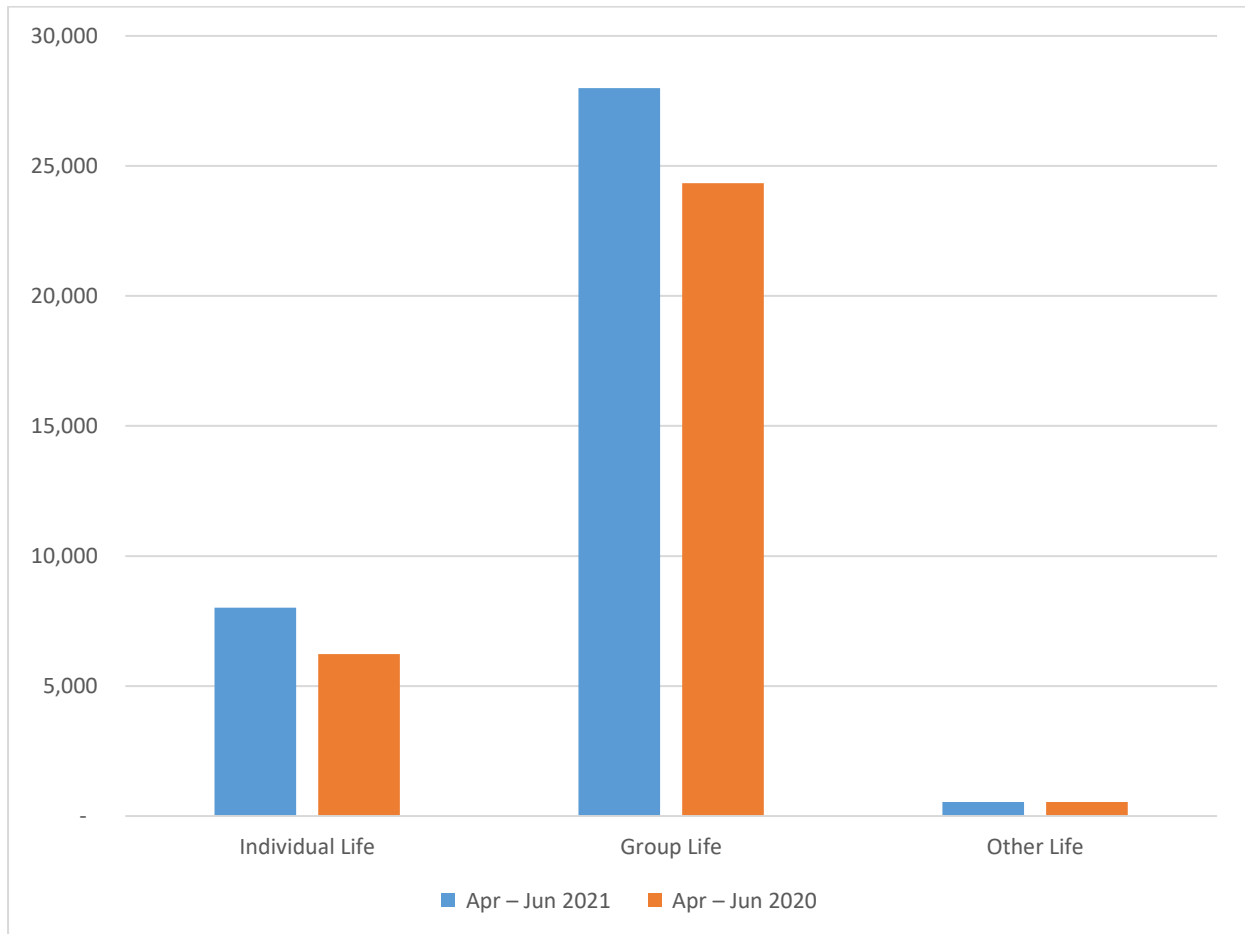
On a class-by-class basis, Long Term Assurance products mix at June 30, 2021 is as shown in Table 3.4 below.

During the period under review, there was a significant improvement on both individual and group life class of business which grew by 28.76 percent and 15.02 respectively compared to the similar period in 2020. However, other life class of business slightly decreased compared to the similar period in 2020.

Table 3.4: Long Term Assurance Gross Premiums Written by Class of Business (TZS Million)

Class of Business	Individual Life	Group Life	Other Life	TOTAL
Apr - Jun 2020	6,224	24,337	541	31,102
Market Share	20.01%	78.25%	1.74%	100.00%
Apr - Jun 2021	8,014	27,992	537	36,543
Market Share	21.93%	76.60%	1.47%	100.00%
% Incr/Decr	28.76%	15.02%	-0.81%	17.50%

Chart 6: Life Insurance Gross Premiums Written by Class of Business – TZS Million



4. OPERATIONAL RESULTS OF THE TANZANIA REINSURANCE COMPANY LIMITED (TANRE)

Tan-Re recorded an underwriting profit amounting to TZS 909 million in the period ended 30 June, 2021 compared to an underwriting profit of TZS 623 million during the similar period in 2020. After taking into account investment income and other income, the result was a pre-tax profit of TZS 1,384 million compared to a pre-tax profit of TZS 1,599 million during the similar period in 2020. The reinsurer's net assets increased to TZS 88,078 million at the end of 30 June, 2021 compared to TZS 78,138 million for the period ended 30 June, 2020

Table 4.1 below presents, in a summary form, Tan-Re's financial performance results during the period ended 30 June, 2021.

Condensed Statement of Financial Position and Comprehensive Income Statement as at 30 June 2021 (TZS Million)					
Particulars	Apr- Jun 20	Apr- Jun 21	Particulars	Apr- Jun 20	Apr- Jun 21
Fixed Assets	26,280	896	Gross Premiums Written	34,690	38,481
Investments	33,236	63,969	Net Premiums Earned	14,871	16,918
Receivables	64,418	72,482	Claims Incurred	8,080	9,273
Other Assets	1,894	3,316	Operating & Comm. Expenses	6,168	6,736
Total Assets	125,828	140,662	Underwriting Profit/(Loss)	624	909
Actuarial Liabilities	36,737	37,286	Investment Income	975	475
Other Liabilities	10,953	15,298	Tax	480	415
Total Liabilities	47,690	52,585	Pre-Tax Income/(Loss)	1,599	1,384
Net Assets	78,138	88,078	Post-Tax Income/(Loss)	1,119	969

The company's net management expense ratio was on the lower side of 20.0 percent during the period under review, which was favourable compared to a maximum acceptable level of 30 percent. The company's combined ratio slightly deteriorated from 75.57 percent for the period ended 30 June, 2020 to 78.24 percent during the period ended 30 June, 2021.

Table 4.2 below presents selected ratios for Tan-Re during the period under review.

Table 4.2 Tan Re - General Insurance Financial Highlights				
PARTICULARS	Apr-	Jun 20	Apr-	Jun 21
Net Claims Incurred (Loss) Ratio (%)		42.85%		45.32%
Commission Ratio (%)		14.74%		16.23%
Management Ratio (%)		17.97%		16.69%
Combined Ratio (%)		75.57%		78.24%

Tan-Re gross claims paid for the period under review stood at TZS 10.1 billion compared to TZS 9.3 billion in the previous period of Apr – Jun 2020, which was an increase of 7.64%. Presence of Tan-Re has shown a significant impact in supporting the local market in claim payment.

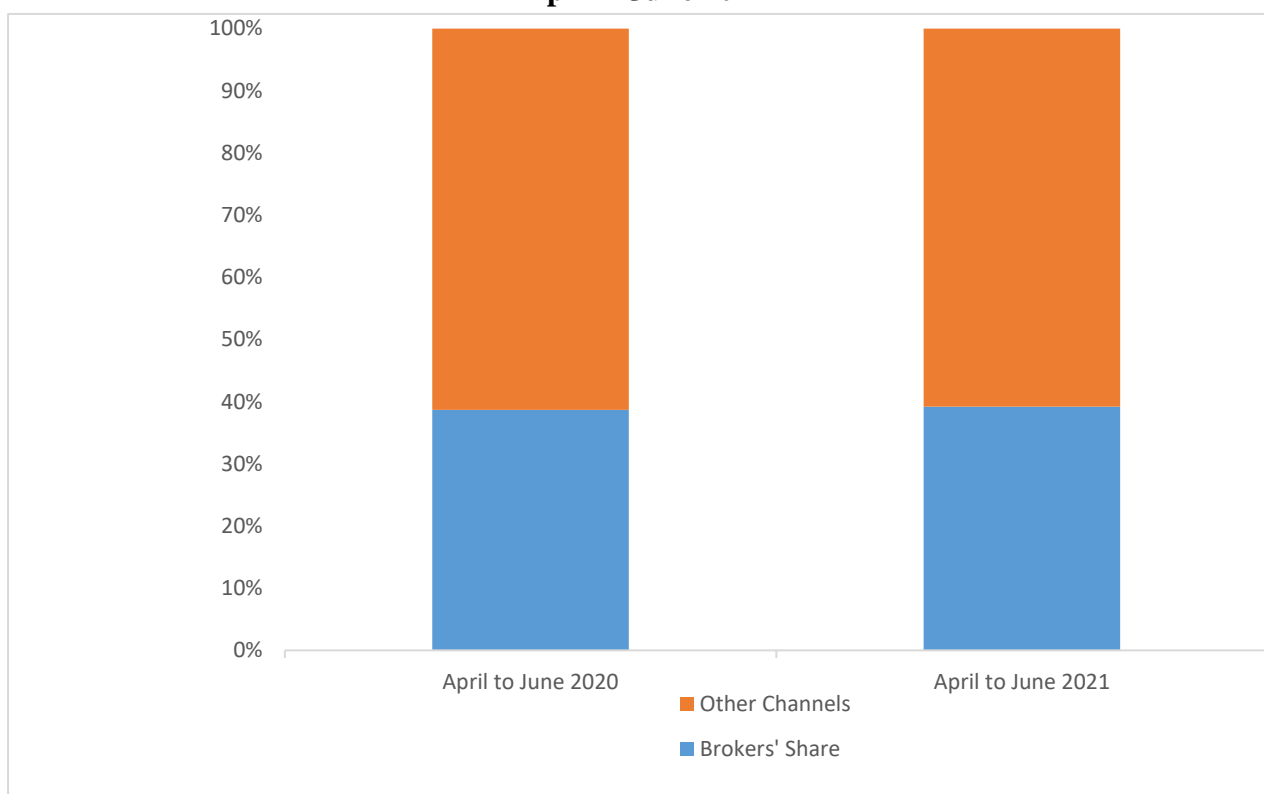
Table 4.3 Tan-Re Gross Claims Payments (TZS Million)					
Description/Class of insurance	Apr-	Jun 20	Apr-	Jun 21	% Incr/Decr
Fire		3,160		2,840	-11.26%
Engineering		479		363	-31.83%
Motor		2,952		2,663	-10.85%
Accident		879		387	-127.12%
Marine		195		221	11.96%
Aviation		222		502	55.82%
Health		1,459		3,142	53.56%
Oil & Gas		0		0	-
Other Gen.		-		-	-
Total		9,345		10,119	7.64%

5. BROKERS PARTICIPATION IN INSURANCE UNDERWRITING

5.1.Introduction

Out of the total insurance premiums written during the period April 2021 to June 2021 in respect of both long – term and general insurance businesses TZS 202,711 million, 39.2 percent of this amount was transacted through brokers (TZS 79,528 million) which is an increase of 0.5 percent from previous year similar period (2020; TZS 67,445 million) The trend of brokers’ share of the market for the period of April – June 2020 and April – June 2021 is as per **Chart 5.1 below:**

Chart 5.1: Brokers’ Participation in Insurance Underwriting April - June 2020 compared to April – June 2021



The Authority will continue with concentration of substantial resources of supervision to the brokerage industry to enhance compliance, as well as to facilitate strategies for further development of brokers into a more vibrant and efficient intermediary force.

5.2.General Insurance Broking

During the period started from April 2021 to June 2021, out of total insurance premium collected in a general business (166,168 million),41.9 percent were collected through brokers (TZS 69,608 million), that is an increase of 8 percent from previous year in a similar period (2020; TZS 48,345 million),

<i>TZS '000</i>	<u>Apr - June 2021</u>			<u>Apr - June 2020</u>		
	Industry GPW	Broker GPW	% Business transacted through Brokers	Industry GPW	Broker GPW	% Business transacted through Brokers
Fire	41,557,619	13,746,808	33.1	30,368,395	12,597,940	41.5
Engineering	5,009,749	2,798,062	55.9	3,711,914	829,183	22.3
Motor	60,856,025	18,655,861	30.7	53,187,395	13,837,898	26.0
Accident	12,279,724	3,099,528	25.2	11,818,371	3,521,453	29.8
Marine	5,949,693	3,947,276	66.3	7,421,245	2,449,508	33.0
Aviation	3,767,164	1,066,553	28.3	1,616,836	1,942,633	120.2
Health	29,205,727	8,385,016	28.7	28,863,237	7,960,399	27.6
Gas & Oil	0	0	0	0	0	0
Other General	7,543,186	17,909,759	237.4	5,831,268	5,206,321	89.3
Total General Insurance	166,168,888	69,608,863	41.9	142,818,661	48,345,335	33.9

5.3.Long Term Assurance Broking

During the period started from April to June 2021, total premium collected by brokers in respect of long-term assurance business amounted to TZS 9,920 million having decreases by 48.07 percent compared to TZS 19,100 million collected during similar period previous year.

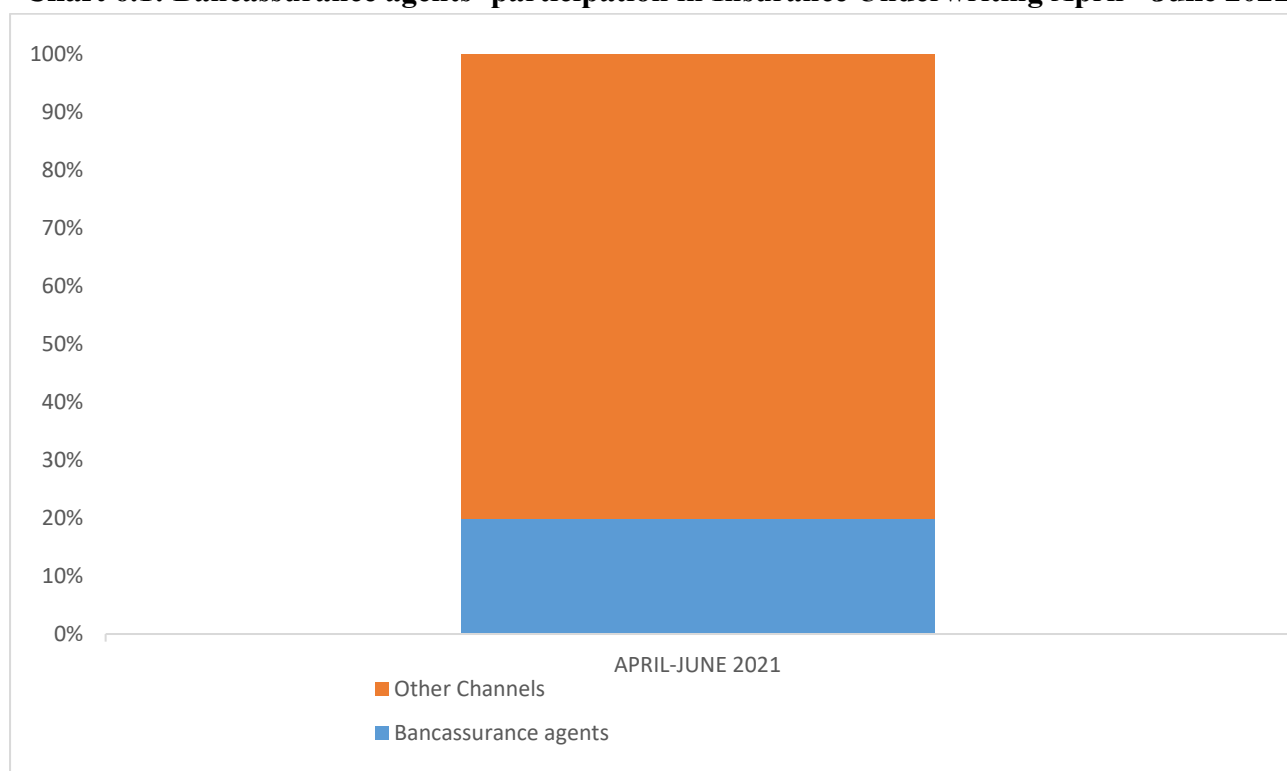
<i>TZS '000</i>	<u>April to June 2021</u>			<u>April to June 2020</u>		
	Industry GPW	Broker GPW	% Business transacted through Brokers	Industry GPW	Broker GPW	% Business transacted through Brokers
Individual Life	8,014,008	31,929	0.4	6,223,214	9,270	0.1
Group Life	27,992,455	9,887,719	35.3	24,336,333	18,824,024	77.3
Other Life	536,626	-	0.0	1,095,243	266,985	24.4
Total Life	36,543,089	9,919,648	27.1	31,654,790	19,100,279	60.3

6. BANCASSURANCE AGENTS' PARTICIPATION IN INSURANCE UNDERWRITING

6.1. Introduction

Out of the total insurance premiums written during the period April 2021 to June 2021 in respect of both long – term and general insurance businesses (TZS 202,712 million), 19.9 percent of this amount was transacted through Bancassurance agents (TZS 40,361 million). The trend of Bancassurance agents' share of the market for the period of April – June 2021 is as per **Chart 1.1 below**:

Chart 6.1: Bancassurance agents' participation in Insurance Underwriting April - June 2021.



The Authority will continue with concentration of substantial resources of supervision to Bancassurance industry to enhance compliance, as well as to facilitate strategies for further development of Bancassurance business into a more vibrant and efficient intermediary force.

6.2. General Insurance Bancassurance business

During the interim period started April 2021 to June 2021, a total of TZS 15,969 million in general insurance premium were collected through Bancassurance agents, which is equivalent to 9.6 percent of the industry Gross Premium Written.

General Insurance Gross Premium Written by Class of Business Bancassurance Participation in Million Apr-Jun 2021

Class	Industry GPW	Bancassurance Agents GPW	% Business transacted through Bancassurance business
Fire	41,558	2,434	5.86%
Engineering	5,010	226	4.51%
Motor	60,856	8,819	14.49%
Accident	12,280	42	0.34%
Marine	5,950	78	1.31%
Aviation	3,767	-	0
Health	29,206	2,231	7.64%
Gas & Oil	-	-	0
Other			
General	7,543	2,141	28.38%
TOTAL	166,169	15,969	9.61%

6.3.Long Term Bancassurance Business

During the period April to June 2021, total premium collected by bancassurance agents in respect of long-term Bancassurance business amounted to TZS 24,392 million having contributed to 66.7 percent of the Industry Gross Premium Written.

Life Insurance Gross Premium Written by Class of Business Bancassurance Participation in Million Apr-Jun 2021

Class	Industry GPW	Bancassurance Agents GPW	% Business transacted through Bancassurance business
Individual Life	8,014	6,199	77.35%
Group Life	27,992	18,152	64.85%
Other Life	537	41	7.64%
TOTAL	36,543	24,392	66.75%

APPENDIX 1: GENERAL INSURANCE FINANCIAL HIGHLIGHTS (TZS '000')

Description	TOTAL		INCR/DECR (%)
	30-Jun-20	30-Jun-21	
Gross Premiums Written (GPW)	142,795,900	166,168,888	16.37%
Premium Ceded (RP)	59,060,880	76,105,959	28.86%
Net Premiums Written (NPW)	83,735,020	90,062,929	7.56%
Earned (Net)(NPE)	90,473,591	95,173,446	5.19%
Net Claims Incurred (NCI)	40,494,093	39,735,663	-1.87%
Net Commission Paid (Net Comm)	8,694,997	9,902,373	13.89%
Management Expenses (Mgt Exp)	35,634,764	41,395,296	16.17%
Net Expenses (Mgt Exp. & Net Comm)	44,329,761	51,297,669	15.72%
Combined Exp (Incurred, Mgt Exp & Comm)	84,823,855	91,033,332	7.32%
Underwriting income/(Loss)	6,134,131	4,140,119	-32.51%

RATIO ANALYSIS (IN %)	30-Jun-20	30-Jun-21	INCR/DECR (%)
RP to GPW Ratio	41.36%	45.80%	4.44%
NPW to GPW Ratio	58.64%	54.20%	-4.44%
NPE to GPW	63.36%	57.28%	-6.08%
NCI to NPE (Loss Ratio)	44.76%	41.75%	-3.01%
Mgt Exp to GPW Ratio	24.96%	24.91%	-0.04%
Mgt Exp to NPW Ratio	42.56%	45.96%	3.41%
Mgt Exp to NPE Ratio	39.39%	43.49%	4.11%
Net Exp to NPE (Expense Ratio)	49.00%	53.90%	4.90%
Combined Ratio	59.40%	54.78%	-4.62%